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MONTANA LEGISLATIVE HISTORY

Chapter 615 1991

Bill H 1008 S _____ Original bill & history ____C

H. Committee on Appropriations		S. Committee on Finance & Claims	
Hearing Date(s) Mar 22	✓C	Hearing Date(s) Apr 08	✓C
_____	____C	Apr 11	✓C
_____	____C	_____	____C
_____	____C	_____	____C
Date Out Mar 22	✓C	Apr 11	✓C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

4/20	SIGNED BY PRESIDENT		
4/20	TRANSMITTED TO GOVERNOR		
4/24	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 615	EFFECTIVE DATE: 7/01/91	

HB 1009 INTRODUCED BY PAVLOVICH, ET AL.

HONORARY CASH BENEFIT FOR VETERANS OF OPERATION DESERT STORM

3/23	INTRODUCED		
3/23	REFERRED TO APPROPRIATIONS		
3/23	FIRST READING		
3/23	FISCAL NOTE REQUESTED		
3/27	HEARING		
3/27	TABLED IN COMMITTEE		
3/28	FISCAL NOTE RECEIVED		
4/02	FISCAL NOTE PRINTED		

HB 1010 INTRODUCED BY D. BROWN

ESTABLISH HARD-ROCK MINING IMPACT TRUST RESERVE ACCOUNT

3/23	INTRODUCED		
3/23	REFERRED TO APPROPRIATIONS		
3/23	FIRST READING		
3/23	FISCAL NOTE REQUESTED		
3/26	COMMITTEE REPORT—BILL PASSED		
3/27	FISCAL NOTE PRINTED		
3/27	FISCAL NOTE RECEIVED		
3/28	2ND READING PASSED	92	8
3/28	ON MOTION RULES SUSPENDED TO PLACE ON 3RD READING THIS DAY		
3/28	3RD READING PASSED	93	6
	TRANSMITTED TO SENATE		
3/28	FIRST READING		
3/28	REFERRED TO NATURAL RESOURCES		
4/10	HEARING		
4/11	COMMITTEE REPORT—BILL CONCURRED		
4/13	2ND READING CONCURRED	48	0
4/15	3RD READING CONCURRED	48	0
	RETURNED TO HOUSE		
4/19	SIGNED BY SPEAKER		
4/19	SIGNED BY PRESIDENT		
4/19	TRANSMITTED TO GOVERNOR		
4/24	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 616	EFFECTIVE DATE: 4/24/91	

HB 1011 INTRODUCED BY COHEN, ET AL.

GENERALLY REVISE PROPERTY TAXATION

3/27	INTRODUCED		
3/27	REFERRED TO TAXATION		
3/27	FIRST READING		
3/27	FISCAL NOTE REQUESTED		
4/03	FISCAL NOTE RECEIVED		
	DIED IN COMMITTEE		

HB 1012 INTRODUCED BY ELLIOTT

COLLECT CIGARETTE TAX FROM SALES TO NON-INDIANS ON INDIAN RESERVATIONS

BY REQUEST OF HOUSE TAXATION COMMITTEE

3/27	INTRODUCED		
3/27	REFERRED TO TAXATION		
3/27	FIRST READING		

3/25	FISCAL NOTE REQUESTED		
3/27	FISCAL NOTE RECEIVED		
	DIED IN COMMITTEE		

HB 1007 INTRODUCED BY KADAS, ET AL.

INCREASE INCOME TAXES TO FUND HIGHER EDUCATION

3/23	INTRODUCED		
3/23	REFERRED TO TAXATION		
3/23	FIRST READING		
3/23	FISCAL NOTE REQUESTED		
3/27	HEARING		
3/27	FISCAL NOTE RECEIVED		
3/28	COMMITTEE REPORT—BILL PASSED AS AMENDED		
3/28	FISCAL NOTE PRINTED		
4/02	2ND READING PASSED	55	44
4/04	3RD READING PASSED	55	45
	TRANSMITTED TO SENATE		
4/04	FIRST READING		
4/04	REFERRED TO TAXATION		
4/08	HEARING		
4/15	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
4/16	2ND READING CONCURRED	29	20
4/17	3RD READING CONCURRED	30	20
	RETURNED TO HOUSE WITH AMENDMENTS		
4/17	2ND READING AMENDMENTS CONCURRED	57	43
4/18	3RD READING AMENDMENTS CONCURRED	56	44
4/18	SIGNED BY SPEAKER		
4/18	SIGNED BY PRESIDENT		
4/18	TRANSMITTED TO GOVERNOR		
4/19	VETOED		
4/24	VETO OVERRIDE MOTION FAILED	61	39
	(67 VOTES NEEDED IN HOUSE TO OVERRIDE VETO)		

HB 1008 INTRODUCED BY BARDANOUVE, ET AL.

ALLOCATE COAL TAX SEPARATELY FOR PARKS AND CULTURAL PROJECTS

BY REQUEST OF HOUSE APPROPRIATIONS LONG-RANGE PLANNING SUBCOMMITTEE

3/23	INTRODUCED		
3/23	REFERRED TO APPROPRIATIONS		
3/23	FIRST READING		
3/23	FISCAL NOTE REQUESTED		
3/27	FISCAL NOTE RECEIVED		
3/27	COMMITTEE REPORT—BILL PASSED AS AMENDED		
3/28	2ND READING PASSED	93	4
3/28	ON MOTION RULES SUSPENDED TO PLACE ON 3RD READING THIS DAY		
3/28	3RD READING PASSED	96	4
3/28	FISCAL NOTE PRINTED		
	TRANSMITTED TO SENATE		
3/28	FIRST READING		
3/28	REFERRED TO TAXATION		
4/01	REREFERRED TO FINANCE & CLAIMS		
4/08	HEARING		
4/12	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
4/13	2ND READING CONCURRED	48	0
4/15	3RD READING CONCURRED	45	3
	RETURNED TO HOUSE WITH AMENDMENTS		
4/17	2ND READING AMENDMENTS CONCURRED	94	5
4/18	3RD READING AMENDMENTS CONCURRED	94	5
4/20	SIGNED BY SPEAKER		

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB1008, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act allocating to separate trust funds the coal severance tax money that would be deposited in a nonexpendable trust fund for parks acquisition or management, protection of works of art in the state capitol and other cultural and aesthetic projects; allowing the expenditure of coal severance tax revenue for parks for two years; and providing effective dates and a termination date.

ASSUMPTIONS:

1. Total Receipts for the coal severance tax will be $38,595,000 in FY92 and $37,109,000 in FY93 (OBPP).

FISCAL IMPACT:

The proposal will not affect revenues, but will reallocate coal severance tax receipts (see FUND INFORMATION on page 2).

3-27-91

ROD SUNDSTED, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

3-28-91

FRANCIS BARDANOUVE, PRIMARY SPONSOR DATE

Fiscal Note for HB1008, as introduced HB 1008

FUND INFORMATION: Coal Severance Tax

	FY '92			FY '93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Art/Aesthetic Projects	$0	$243,457	$243,457	$0	$234,084	$234,084
Parks Account	0	489,848	489,848	0	470,987	470,987
General Fund	5,939,771	5,939,771	0	5,711,075	5,711,075	0
Conservation Districts	73,331	73,331	0	70,507	70,507	0
County Land Planning	146,661	146,661	0	141,014	141,014	0
Local Impact	2,566,568	2,566,568	0	2,467,749	2,467,749	0
Agricultural Growth	293,322	293,322	0	282,028	282,028	0
Public Schools	4,399,830	4,399,830	0	4,230,426	4,230,426	0
State Library	146,661	146,661	0	141,014	141,014	0
Renewable Resource	183,326	183,326	0	176,268	176,268	0
Parks Trust	733,305	0	(733,305)	705,071	0	(705,071)
Permanent Trust	19,297,500	19,297,500	0	18,554,500	18,554,500	0
Water Development	183,326	183,326	0	176,268	176,268	0
Highway Trust	4,631,400	4,631,400	0	4,453,080	4,453,080	0
TOTAL	$38,595,000	$38,595,000	$0	$37,109,000	$37,109,000	$0

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The proposal would, after the FY92-93 biennium, allocate the monies currently allocated to the parks acquisition trust (1.9% of coal severance tax receipts, under current law) to two separate nonexpendable trusts. The new trust for parks acquisition or management would receive, in the FY94-95 biennium and beyond, 1.2692% of the coal tax receipts. The trust for the protection of art and other aesthetic projects would receive 0.6308% of coal severance tax receipts.

HB 1008

REP. COBB asked **REP. BRADLEY** if she had concern if the amendments were put back in but allowed both grants and loans? **REP. BRADLEY** said hers originally had both. In totalling this she thought in two years there could be available $60 million for loans. She did more comparison on the two bills.

Closing by Sponsor: REP. BRADLEY said she wanted to respect the work of the subcommittee and was not trying to turn around anything they did even though she did not entirely agree with them.

HEARING ON HOUSE BILL 1008

Allocate Coal Tax Separately for Parks and Cultural Projects

Presentation and Opening Statement by Sponsor:

REP. FRANCIS BARDANOUVE, House District 16, Harlem, said the Committee on Long Range Planning has been listening to testimony on the parks. We all realize the parks are in a pretty miserable position. We have failed to keep them up and this is a result of our desperation. There is a serious lack of maintenance and preservation of what we have. The parks system has a trust fund from the coal. 2/3 of the money from that trust goes to the parks and 1/3 to the cultural projects. The trust remains and the interest off that trust goes in the same proportion and generates several hundred thousand dollars a year in interest and is a little under a million dollars for the biennium. In this bill the interest for a 2 year period would not go in the trust but directly to the parks for maintenance.

Proponents' Testimony:

K. L. Cool, Director, FWP, distributed **EXHIBIT 7** and explained it. This shows the coal tax distribution, the parks portion, the proposal, history of the parks and gave examples of threatened historic resources. This concept has been reviewed with the Governor personally, he supports the concept and the utilization of these funds for the two year period.

David Nelson, Montana Arts Council, said they support the bill but would like to point out a number of things. This creates in perpetuity, a cultural trust--the 1/3 is divided out and becomes a cultural trust while the Parks 2/3 would be temporary. It would be difficult to come to the committee with an arts emergency, so the value of this cultural trust to the cultural community is its long term stability and its potential to grow. This would give the chance for the cultural trust to grow. As it stands now any money we would leave in the trust, 2/3 of that dollar would go to the FWP. There was a rounding error in the bill and passed out an amendment to correct it. **EXHIBIT 8**

REP. ED GRADY asked to be listed as a proponent.

REP. JOE QUILICI asked to be listed as a proponent.

REP. BERV KIMBERLEY asked to be listed as a proponent.

REP. MARY ELLEN CONNELLY asked to be listed as a proponent.

REP. CHARLES SWYSGOOD asked to be listed as a proponent.

Questions From Committee Members: **REP. CODY** said she had no trouble trying to cap the fund for two years, but what about this bill going strictly to maintenance? **REP. BARDANOUVE** said he would like to acquire more park land, but the reality is we have acquired more now than we can properly maintain. This is an attempt to maintain the parks we now have. **REP. CODY** said she knew that was what was being attempted, but that is not what the bill says. In the title it allocates this tax to separate trust funds that would be deposited in a non-expendable trust fund for park's acquisition or management. **REP. BARDANOUVE** said he would have no problem with the committee amending that out since there was no attempt to acquire anything.

REP. GRADY asked **Mr. Cool** to comment on the title. **Mr. Cool** said he thought that represented current law and the acquisition of parks property is controlled by the Legislature so it is within their control. There is no attempt to acquire anything with this 2 year funding source which will not provide enough funding to handle our high priority projects in terms of historic sites and stabilization of those areas. **REP. CODY** said this is not only in the title but was repeated throughout the bill. If she were to support the bill it should be spelled out more specifically that it was not for acquisition.

REP. THOFT said the only problem he has is with the termination date. He really would like to do it right and make it 4 years. **REP. BARDANOUVE** said he very reluctantly agreed to even accept 2 years. We lose money on this and it is a long term loss to the trust. **REP. CONNELLY** said early in the session this was voted down by the committee, then with the lack of maintenance and restoration money we decided to try this. If we don't do it now, since these things are falling apart we will lose them.

REP. GRADY asked if we wouldn't be more assured of getting something done here in the next couple of years than we would in **REP. BRADLEY**'s bill. There would be no chance of getting the money for a couple of years and no assurance we would even get the money to do it. **REP. BARDANOUVE** said he was probably right.

Closing by Sponsor: **REP. BARDANOUVE** said he did not love the bill, but the "patient" is a ill, needs a shot in the arm, and if we don't take care of this crisis we may lose the "patient".

There was a 10 minute break followed by **CHAIRMAN BARDANOUVE** announcing the bills that still had to be acted upon. In order to resolve HB 5 we would have to resolve HB 528.

Motion/Vote: **REP. ZOOK** moved HB 122 be tabled. Second by Rep. Peck. Motion passed 14 to 4 with Rep. Kadas, Quilici, Nisbet and Kimberley voting no.

EXECUTIVE ACTION ON HB 1008

Allocate Coal Tax Separately for Parks and Cultural Projects

Motion: **REP. CODY** moved HB 1008 do pass. Second by Rep. Johnson.

Motion to Amend/Vote: **REP. JOHNSON** moved to amend HB 1008 **EXHIBIT 8.** Second by Rep. Kimberley. Motion passed

Motion to Amend/Vote: **REP. GRADY** moved to strike the acquisition from the bill. Second by Rep. Zook. Motion passed 14 to 4 with Rep. Menahan, Nisbet, Peck and Grinde voted no.

Motion/Vote: **REP. GRADY** moved HB 1008 do pass as amended. Second by Rep. Kimberley. Motion passed 17 to 1 with Rep. Grinde voting no.

EXECUTIVE ACTION ON HB 125

Appropriation for Director of American Indian/Minority Achievement

CHAIRMAN BARDANOUVE said **REP. GERVAIS** would explain why he would like this bill reconsidered. **REP. GERVAIS** said he felt the committee might have missed something in the testimony. He said he had some people here, the lady who wrote the program, the director and John Hutchinson are here they can answer questions. He said there are 10% Native Americans in the school and her job as director is to keep these people in school. This would keep them off the welfare roles.This program has been ongoing for 2 years and if we get rid of the program, the person who keeps them off the welfare roles will probably be there herself.

CHAIRMAN BARDANOUVE asked what the fiscal impact is and **Mrs. Cohea** said an appropriation of $175,648 general fund for the biennium.

Motion/Vote: **REP. KADAS** moved HB 125 be reconsidered. Second by Rep. Bradley. Motion passed 9 to 6 with 3 members absent and Rep. Peterson, Grinde, Cobb, Zook, Peck and Bardanouve voting no.

Motion/Vote: **REP. KADAS** moved HB 125 do pass. Second by Rep. Quilici. Motion passed 9 to 6 with 3 absent, roll call vote # 15.

EXECUTIVE ACTION ON HB 77

Use Automobile Insurance Premium Tax to Increase Highway Patrol Pension

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE

ROLL CALL DATE 3-27-91

NAME	PRESENT	ABSENT	EXCUSED
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
REP. RAY PECK, VICE-CHAIRMAN	✓		
REP. DOROTHY BRADLEY	✓		
REP. JOHN COBB	✓		
REP. DOROTHY CODY	✓		
REP. MARY ELLEN CONNELLY	✓		
REP. ED GRADY	✓		
REP. LARRY GRINDE	✓		
REP. JOHN JOHNSON	✓		
REP. MIKE KADAS	✓		
REP. BERV KIMBERLEY	✓		
REP. WM. "RED" MENAHAN	✓		
REP. JERRY NISBET	✓		
REP. MARY LOU PETERSON	✓		
REP. JOE QUILICI	✓		
REP. CHUCK SWYSGOOD	✓		
REP. BOB THOFT	✓		
REP. TOM ZOOK	✓		

HOUSE STANDING COMMITTEE REPORT

March 27, 1991

Mr. Speaker: We, the committee on Appropriations report that House Bill 1,008 (first reading copy -- white) do pass as amended .

Signed: [signature]
Francis Bardanouve, Chairman

And, that such amendments read:

1. Page 3, line 18.
Strike: "1.66%"
Insert: "1.667%"

2. Page 3, line 25.
Strike: "3.34%"
Insert: "3.333%"

3. Page 5, line 7.
Strike: "3.34%"
Insert: "3.333%"

4. Page 6, line 3.
Strike: "1.66%"
Insert: "1.667%"

CAP 10
HB 1008

COAL TAX DISTRIBUTION

MCA 15-35-108

EXHIBIT 1
DATE 3-21-91
HB 1008

COAL TAX

50% Constitutional Trust

12% Highway Reconstruction Trust

38% Balance Allocated

General Fund	40.50%
Local impact	17.50%
Public schools	30.00%
County land planning	1.00%
Renewable Resource Dev.Bond	1.25%
Library Commission	1.00%
Conservation Districts	0.50%
Water Dev.Debt Service	1.25%
Mt.Growth thru Agriculture	2.00%
Parks Trust, 5%	
1/3 Arts & Cultural	1.65%
*2/3 Parks Division	3.35%

Cap Parks Division Portion of Trust

*2/3 Parks Division	3.35%

Sunset June 30, 1993

FY	$ Available	Interest Lost	Net Increase
1992	$491,211	$23,283	$467,927
1993	$489,075	$70,705	$418,369
TOTALS	$980,285	$93,988	$886,297

(Current annual interest to Parks operations would level off at $1,323,924 per year.

SHS96 03/22/91

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Montana State Parks Coal Tax Proposal

What is this proposal?

This proposal is to "cap" the portion of the statutory coal trust currently allocated to State Parks (3.35%) and use the net revenue gained by the strategy to aid in rehabilitation of the park system. The current interest earnings directed to Parks operations would level off at current levels.

Related facts

- This is not a new tax.
- This would not impact any other entity currently receiving coal trust dollars.
- These funds are not presently committed to any other program.
- All other allocated funds in the statutory portion of the coal trust are handled this way.
- The "parks trust" is the only portion of the statutory portion of the coal trust operated as a trust with only interest directed to the program.
- Legislation drafted to implement this concept would require a split of the "parks trust" currently shared with the Montana Arts Council (1/3 Arts Council; 2/3 State Parks). The Arts Council portion (1.65%) would then continue as a trust with no impact to their revenue.

Justification

The State Park System is in a seriously degraded condition. There are inadequate dollars available for operations, maintenance, development, and capital improvements. The State Park Futures Committee, was appointed in 1989 to address the funding problems and solicit public input related to solutions, they concluded that $6 million per year is needed to restore the park system to a healthy condition over the next several years. This proposal would provide a portion of this need.

This concept is particularly appropriate when historically cultural sites are considered. These resources are irreplaceable. If unprotected or vandalized, as in the current situation, these resources will disappear and part of our history will forever be lost, unavailable, for the enjoyment of our children and grandchildren. The trust concept, as now administered, does not allow the best stewardship of these resources. The future is now!

Net Revenue Generated

Annual amounts based on current statutes, would be approximately one-half million dollars per year. The attached flow chart provides the details of the proposal.

Ex. 1
3-27-91
HB 1008

LB5436 03/25/91

PARK COAL TAX HISTORY – Summary of Dollars to Parks Trust from Total Coal Tax

MCA 15-35-108

March, 1991

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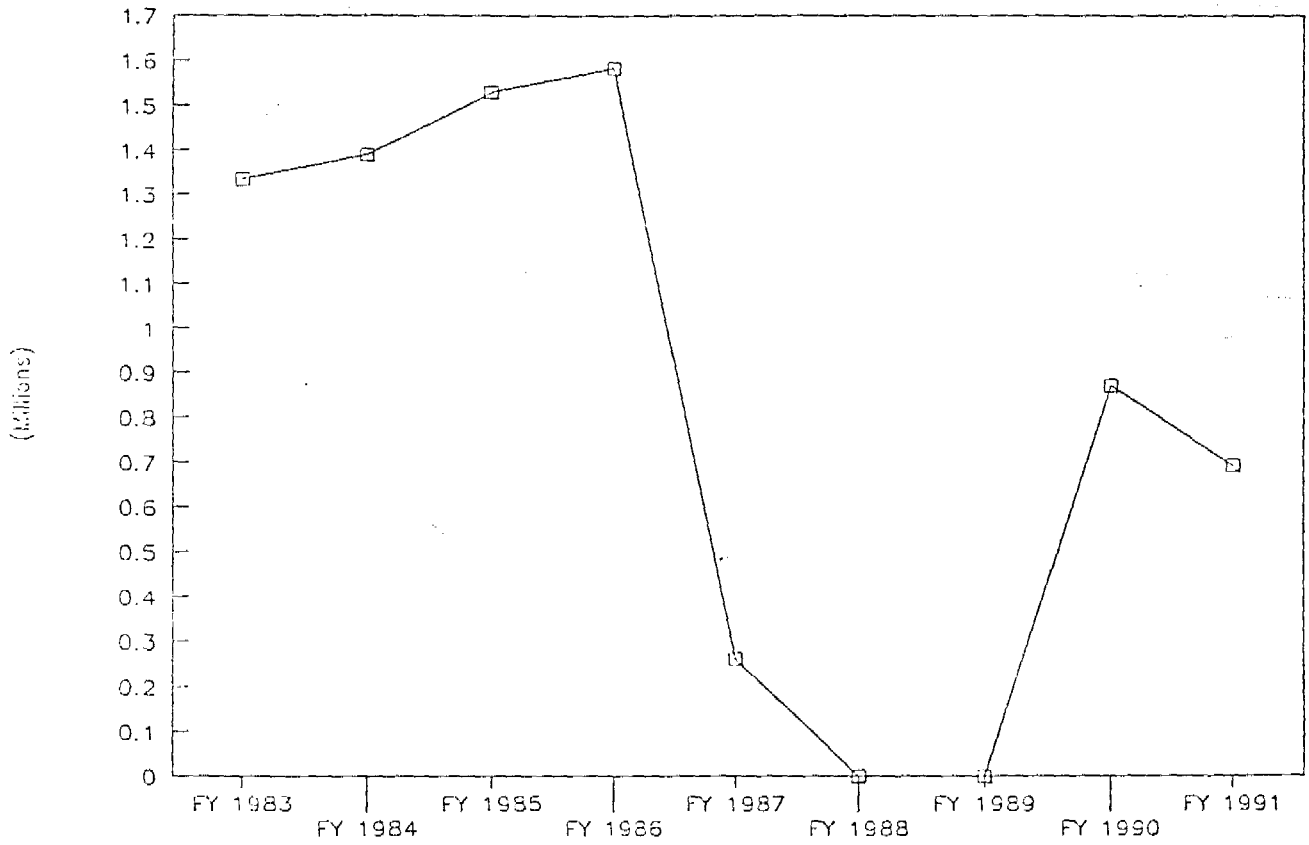
EXHIBIT
DATE
HB



FY 1983	$1,334,083
FY 1984	$1,389,279
FY 1985	$1,529,147
FY 1986	$1,581,301
FY 1987	$260,985
FY 1988	$0
FY 1989	$0
FY 1990	$869,969
FY 1991	$693,000

Graph: PRKTRSTS

Ex. 7
3-27-91
HB 1008

PARK COAL TAX PROPOSAL

March, 1991

Funds available:

Fiscal Year 1992	$467,927
Fiscal Year 1993	$418,369
Total	$886,296

Examples of threatened historic resources:

Project	Vicinity	$
Bannack buildings stabilization	Dillon	$300,000
Cave cleaning and formation protection at Lewis and Clark Caverns	Three Forks	$125,000
Stabilize Chief Plenty Coups home	Pryor/Billings	$100,000
Protection of archaeological resources at Ulm Pishkun	Ulm/Great Falls	$50,000
Stabilization at Fort Owen	Stevensville	$150,000
Protect triceratops discovery site at Makoshika	Glendive	$50,000
Restore 65-70 year old bridge over Giant Springs	Great Falls	$16,500
Building stabilization at Elkhorn, Granite, Headwaters and Parker Homestead	various	$400,000
Stabilize Gallatin City Hotel at Missouri Headwaters	Three Forks	$100,000
Minimal stabilization of Kobold Homestead at Rosebud Battlefield	Decker	$100,000
		$1,391,500

SQS33

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Amendment to HB1008

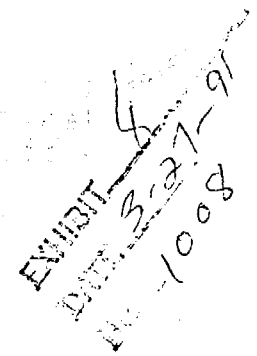
The purpose of this amendment is to correct the rounding using accepted rounding procedures and to hold the Montana Arts Council harmless in the split of the nonexpendable trust (15-35-108 (e)) and the subsequent distribution of Coal Severance Tax proceeds.

Page 3, line 18: Strike: "1.66%", Insert: "1.667%"

Page 3, line 25: Strike: "3.34%", Insert: "3.333%"

Page 5, line 7: Strike: "3.34%", Insert: "3.333%"

Page 6, line 3: Strike: "1.66%", Insert: "1.667%"



Senator Nathe moved that HB 4 BE CONCURRED IN. When advised by Senator Jergeson that there were amendments for the bill, Senator Nathe withdrew his motion.

Closing by Sponsor:

Representative Bardanouve closed.

HEARING ON HOUSE BILL 1008

Presentation and Opening Statement by Sponsor:

Representative Bardanouve, sponsor, said HB 1008 allocated 1.9 percent of coal severance tax to a non-expendable trust for protection of works of art in the state capitol and other cultural and aesthetic projects. It also temporarily allocates for two years a portion of coal severance tax to a special revenue account to be used by the Department of Fish, Wildlife and Parks for state parks. He said if we don't maintain the parks, they won't be there. He added that the Parks Division has not been given a lot of money this session, and noted they are in an emergency. At the end of the 1993 biennium, the allocations for parks will go to a non-expendable trust, the income from which is to be used for parks acquisition or management. He concluded some money would be lost on interest but it will give an infusion of high priority items for repairs and it would give the Parks Division less than one million dollars for this biennium to make emergency high priority repairs.

Proponents' Testimony:

K. L. Cool, Director, Montana Department of Fish, Wildlife and Parks, stated his support of HB 1008. He handed out to the committee a document designed to provide an overview of the distribution of coal tax and how it fits into the Department and Arts and Cultural. (See exhibit 7) He added that we would have an important and significant gain and small long term loss from the dollars in the trust. He added the bill is not precedent setting; it has been done before. He concluded HB 1008 is extremely important and timely.

Representative Grady, District 47, added his support of HB 1008. He noted that very little money was spent for maintenance and that parks are in a deteriorating condition.

Representative Swysgood, stated his support of the bill. He noted that Bannack State Park has deteriorated to the point where the buildings are falling apart and added this bill would help with the vital restoration of Montana's history. He concluded we are diverting for two years money that will flow into the trust and indicated the trust will be of no benefit to anybody if the facilities we are trying to maintain for Montana's future are not kept in good shape.

Bill Leary, a Helena resident, stated his concern at Canyon Ferry Lake and the deteriorating conditions of the campgrounds. He urged support of HB 1008.

Mitzi Rossillon, a professional archaeologist, stated her support of HB 1008 and stated she is familiar with many organizations of archaeologists that support a bill of this type, although she was speaking for herself today. She noted her concern about the preservation of resources in the state parks system and said she is interested in the stabilization of these which are in danger today of erosion. She concluded we have an obligation to protect the resources that have been neglected in Montana.

Susie Bramlette, Beaverhead County Chamber of Commerce, encouraged adoption of HB 1008.

Don Johnson, Canyon Ferry Recreation Association, stated his support of HB 1008 and said Montana is a destination state for tourists but there is much competition now and how we compete years from now depends on the decisions we make now.

Stuart Doggett, representing Montana Innkeepers Association and Montana Manufactured Housing and RV Association, stated the organizations interest in state parks and wanted to go on record in support of HB 1008.

Arnie Olsen, Administrator of State Parks Division, Department of Fish, Wildlife and Parks, indicated their support of HB 1008. He noted the Governor has indicated his support of the proposal and also indicated the State parks futures committee consisting of eight members, seven of those members have supported the measure.

Marcella Sherify, Montana's State Historic Preservation Officer, indicated their support of HB 1008. (See testimony, Exhibit 8)

David Nelson, Montana Arts Council executive director, stated their support of HB 1008 and said they are agency administering the other one-third of the trust which is referred to as the cultural trust. He concluded the split-up is fair and equitable.

Ruth Baker, Stevensville Historical Society, noted their Society has been in contact with Department of Fish, Wildlife and Parks over Fort Owen which is outside of Stevensville and feels HB 1008 will help preserve historic and cultural sites.

Opponents' Testimony:

Janet Ellis, Montana Audubon Legislative Fund, stated she is

a reluctant opponent but said she must state her reasons why this is a dangerous thing to do. She said it is a non-expendable trust and her organization is the only organization defending that trust. She noted her organization would like an amendment added to the bill (See exhibit 9) She added with the amendment, she felt the money would be used on an emergency basis as needed. She said HB 1008 splits the two trusts of the Arts Council and the Parks trust and noted the alliance has been helpful in defending the trust and she would like to see language that would put that back together.

Questions From Committee Members:

Senator Fritz asked Rep. Bardanouve if HB 1008 splits the existing trust in two parts and if it maintains the two parts so for two years there is the existing trust for parks and will the trust be existing and producing interest. Rep. Bardanouve said yes.

Closing by Sponsor:

Representative Bardanouve closed by saying it is important to preserve what we have.

HEARING ON HOUSE BILL 876

Presentation and Opening Statement by Sponsor:

Representative Wyatt, sponsor, said HB 876 is an important piece of legislation because it removes the MIAMI project sunset and increases the advisory council to the appointment of tribal Indian representatives. It appropriates $14,000 general fund.

Proponents' Testimony:

Paulette Kohlman, Montana Council for Maternal and Child Health, stated her support of HB 876. (See exhibit 10) She noted that none of the budgets in HB 876 could have been included in HB 2 because the entire appropriation in HB 2 for MIAMI is for contracted services out to the clinic sites.

Jim Ahrens, president of Montana Hospital Association, stated their support of HB 876.

Jerry Loendorf, Montana Medical Association, encouraged continuation of the MIAMI project and encouraged support of HB 876.

Gene Huntington, Montana Dietetic Association, expressed their support of the continuation and expansion of the program.

Opponents' Testimony:

ROLL CALL

FINANCE & CLAIMS COMMITTEE

DATE 1-8-91

LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON CHAIRMAN	✓		
SENATOR JERGESON, VICE CHAIRMAN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BENGTSON	✓		
SENATOR BIANCHI	✓		
SENATOR DEVLIN	✓		
SENATOR FRITZ	✓		
SENATOR HAMMOND	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR KEATING	✓		
SENATOR MANNING			✓
SENATOR NATHE	✓		
SENATOR STIMATZ		✓	

Each day attach to minutes.

ROLL CALL

FINANCE & CLAIMS COMMITTEE, CONTINUED

DATE _____

____ LEGISLATIVE SESSION ____

NAME	PRESENT	ABSENT	EXCUSED
SENATOR WEIT	✓		
SENATOR VAUGHN	✓		
SENATOR WATERMAN	✓		
SENATOR WEEDING	✓		
Senator Franklin	✓		

Each day attach to minutes.

COMMITTEE ON Finance Claims

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One: Support	Check One: Oppose
Jim Ordway	H District 35 Gender	234	X	
Phil Hall	MT Hist. Sites Com.	1008	X	
Marelle Sherry	Montana Historical Soc	1008	X	
Rick Brown	Mt Bd of Vet Affairs	HB 20	X	
"	"	HB 234	X	
"	"	HB-179	X	
Robert VanderVeer	Self	HB 20	X	
Doris Brander	Self	HB 20	X	
Greg Monahan	Montana Petroleum Ass'n	HB 764	X	
Lucille Johnson	MT Council for Mat + Ch Hlth	HB 876	✓	
"	"	HB 696		
D. Bruce Morris	MONTANA CARPENTERS APPRENTICESHIP & TRNING TRUST FUND	HB 764	X	
Larry Fasbender	Mont. Council of Coops	HB-30	X	
Pro Ruth H C Baker	Stevensville Historical Society	HB1008	X	
[illegible]	MTA. Dis. Clerks	HB-30	X	
Dick Smith	MT Lumbermens Assn	HB20	X	
Stuart Doggett	MT Lumbermens Assn Mt Manufactured Housing Ass	HB1008	X	
Dick Baumberger	Disabled American Vets Dept of Mont	HB179	X	
Robert VanderVeer	Self	HB179		
John Driscoll	MT Catholic Conference	HB 728 HB 876	X	
Mary L. Anderson	Dept of St Hist	HB4		
K. L. Cool	MT. FISH, WL & PARKS	HB 1008	X	
Van Jamison	DNRC	HB 4	X	
Larry Pospichal	VFW	HB 234	X	
Janet Ellis	MT Audubon	HB 1008	~~X~~	X
Susie Bramlett	Dillon, Historical Sites	1008	X	

(Please leave prepared statement with Secretary)

COAL TAX DISTRIBUTION

MCA 15-35-108

HB 1008

COAL TAX

50% Constitutional Trust

12% Highway Reconstruction Trust

38% Balance Allocated

General Fund	40.50%
Local impact	17.50%
Public schools	30.00%
County land planning	1.00%
Renewable Resource Dev.Bond	1.25%
Library Commission	1.00%
Conservation Districts	0.50%
Water Dev.Debt Service	1.25%
Mt.Growth thru Agriculture	2.00%
Parks Trust, 5%	
1/3 Arts & Cultural	1.65%
*2/3 Parks Division	3.35%

Cap Parks Division Portion of Trust

*2/3 Parks Division 3.35%

Sunset June 30, 1993

FY	$ Available	Interest Lost	Net Increase
1992	$491,211	$23,283	$467,927
1993	$489,075	$70,705	$418,369
TOTALS	$980,285	$93,988	$886,297

(Current annual interest to Parks operations would level off at $1,323,924 per year.

$HS96 03/22/91

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SENATE FINANCE AND CLAIMS
EXHIBIT NO. 7
DATE 4-8-91
BILL NO. HB 1008

Montana State Parks Coal Tax Proposal

What is this proposal?

This proposal is to "cap" the portion of the statutory coal trust currently allocated to State Parks (3.35%) and use the net revenue gained by the strategy to aid in rehabilitation of the park system. The current interest earnings directed to Parks operations would level off at current levels.

Related facts

- This is not a new tax.
- This would not impact any other entity currently receiving coal trust dollars.
- These funds are not presently committed to any other program.
- All other allocated funds in the statutory portion of the coal trust are handled this way.
- The "parks trust" is the only portion of the statutory portion of the coal trust operated as a trust with only interest directed to the program.
- Legislation drafted to implement this concept would require a split of the "parks trust" currently shared with the Montana Arts Council (1/3 Arts Council; 2/3 State Parks). The Arts Council portion (1.65%) would then continue as a trust with no impact to their revenue.

Justification

The State Park System is in a seriously degraded condition. There are inadequate dollars available for operations, maintenance, development, and capital improvements. The State Park Futures Committee, was appointed in 1989 to address the funding problems and solicit public input related to solutions, they concluded that $6 million per year is needed to restore the park system to a healthy condition over the next several years. This proposal would provide a portion of this need.

This concept is particularly appropriate when historically cultural sites are considered. These resources are irreplaceable. If unprotected or vandalized, as in the current situation, these resources will disappear and part of our history will forever be lost, unavailable, for the enjoyment of our children and grandchildren. The trust concept, as now administered, does not allow the best stewardship of these resources. The future is now!

Net Revenue Generated

Annual amounts based on current statutes, would be approximately one-half million dollars per year. The attached flow chart provides the details of the proposal.

SBS426 03/25/91

PARK COAL TAX HISTORY – Summary of Dollars to Parks Trust from Total Coal Tax

MCA 15-35-108

March, 1991

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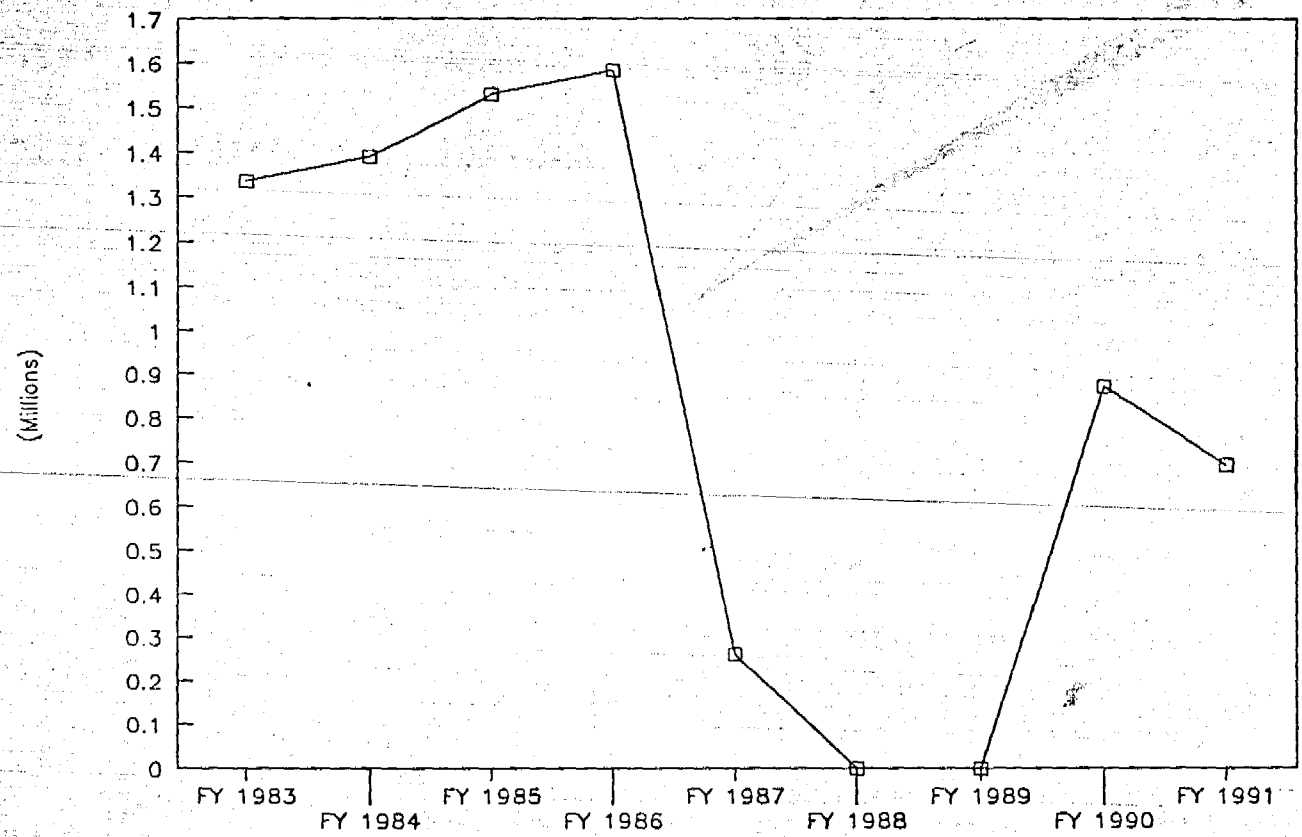

FY 1983	$1,334,083
FY 1984	$1,389,279
FY 1985	$1,529,147
FY 1986	$1,581,301
FY 1987	$260,985
FY 1988	$0
FY 1989	$0
FY 1990	$869,969
FY 1991	$693,000

Graph: PRKTRST$

PARK COAL TAX PROPOSAL

March, 1991

Funds available:

Fiscal Year 1992	$467,927
Fiscal Year 1993	$418,369
Total	$886,296

Examples of threatened historic resources:

Project	Vicinity	$
Bannack buildings stabilization	Dillon	$300,000
Cave cleaning and formation protection at Lewis and Clark Caverns	Three Forks	$125,000
Stabilize Chief Plenty Coups home	Pryor/Billings	$100,000
Protection of archaeological resources at Ulm Pishkun	Ulm/Great Falls	$50,000
Stabilization at Fort Owen	Stevensville	$150,000
Protect triceratops discovery site at Makoshika	Glendive	$50,000
Restore 65–70 year old bridge over Giant Springs	Great Falls	$16,500
Building stabilization at Elkhorn, Granite, Headwaters and Parker Homestead	various	$400,000
Stabilize Gallatin City Hotel at Missouri Headwaters	Three Forks	$100,000
Minimal stabilization of Kobold Homestead at Rosebud Battlefield	Decker	$100,000
		$1,391,500

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C:\123\BUDGET\STWD\REVENUE\COALHIST.WK1 03/22/91

State Historic Preservation Office
Montana Historical Society
Mailing Address: 225 North Roberts • Helena, MT 59620-9990
Office Address: 102 Broadway • Helena, MT • (406) 444-7715

April 7, 1991

TESTIMONY IN SUPPORT OF HB1008
Senate Finance and Claims Committee

I am Marcella Sherfy. I am Montana's State Historic Preservation Officer, working within the Montana Historical Society. Over the last two years, the Society has worked aggressively to learn about and support the needs of Montana's park system. Most specifically, under legislative direction, we organized the Historic Sites Study Commission, and provided staff assistance to the Commission in the development its formal findings. Based on our work with the Commission, we bring enthusiastic, thoroughly considered support for HB1008 and its importance in a range of funding strategies that this legislature is considering to support parks.

Heritage tourism is a fine sounding phrase. Alberta has aggressively pursued the benefits of heritage tourism at Head Smashed in Buffalo Jump with a 10 million dollar investment in research, development, stabilization, and interpretation. That investment returns 3 million dollars annually to the Fort McLeod area.

But Montana cannot yet even talk about developing its parks for heritage tourism. Especially with historic sites, we first must address vandalism, rapid deterioration, visible loss from weather and time at places such as Bannack, Ulm Pishkun, Pictograph Cave, Chief Plenty Coups' house.

Hence, the Society supports HB1008 and its particular goal of stopping the resource loss that is occurring so rapidly that we are losing critical resources and important choices for future development.

We view this one-time use of coal trust fund monies as sound business, consistent with the purpose of the trust. It makes financial and stewardship sense to draw from this savings account enough secure windows and roofs and foundations at Bannack and Chief Plenty Coups, to stop vandalism at Ulm Pishkun and Pictograph Cave--to at least insure that the resource base the state is charged to protect is minimally protected. If we neglect these historic and prehistoric resources longer, we have lost a greater financial and emotional investment than the dollars represented by this bill. We do not want to appear before you in future years for funding to reconstruct--to build from scratch--once-standing historic resources. We hope the real resources can be preserved. Thank you.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 8
DATE 4-8-91
BILL NO. HB1008

THERE'S NO COMPARISON:
A Look at Ulm Pishkun and Head-Smashed-In

n Pishkun State Park

ıe Resource: Ulm Pishkun is a bluff with drops of 30 feet or more, nning more than a mile in length, used for over 5,000 years for Native nerican buffalo gathering, killing, and processing. The property is listed in ıe National Register of Historic Places. Portions of the buffalo bone beds ere mined for the fertilizer during World War II. The site has continued to ıstain loss through vandalism.

)wnership: Less that 1/4 of the site is owned by the State of Montana and dministered as a park by the Department of Fish, Wildlife and Parks, Parks)ivision. Major portions of the site are in private ownership. The state is ıow working on a land trade among 3 private owners and 2 state agencies.

Development: Interpretive panels, fencing for the state-owned property, gravel parking for 10 cars, picnic tables, and latrines. No signing to the site from the interstate; Parks has placed signs on secondary roads off the interstate.

Hours: Gates are open from April 15th to October 15th.

Staffing: No on-site staff. Administered by Region 4, Parks Division, Regional Fish, Wildlife and Parks office in Great Falls. Local support groups provide assistance to Parks in several areas.

Interpretation: Periodically provided by local volunteers only; a brochure on the site was printed by Great Falls groups.

Major Capital Improvements: None

Visitation: There is no accurate way to count visitors, but Region 4 staff estimate about 2,000 visitors each year.

Prepared by the Montana Historic Sites Study Commission, 1991

Head-Smashed-In Interpretive Centre

The Resource: A buffalo gathering, killing, and processing area used over 6,000 years from prehistoric times until historic times by Native Americans. The cliff structure used in the jump stands about 30 feet high and again runs for the better part of a mile. This property is a UNESCO World Heritage Site. The site is substantially undisturbed.

Ownership: The site is predominantly owned by the province of Alberta and administered by the Alberta Department of Culture and Multi-culturism.

Development: The site was the object of over 10 years archaeological research and construction of a major Interpretive Centre. The Centre is built up the cliff over a portion of the jump site. It contains an 80-seat theater, five levels of exhibits, a cafeteria, and a gift shop. The Centre is supported by an 80-car permanent parking lot, an auxiliary lot for 150 cars, shuttle bus service to parking lots, and more than a mile of interpretive trails. Signing to the site can be seen on major Canadian routes #2 and #3.

Hours: The Centre is open year-around. Winter hours are 9:00 a.m. to 5:00 p.m. Summer hours are 9:00 a.m. to 8:00 p.m.

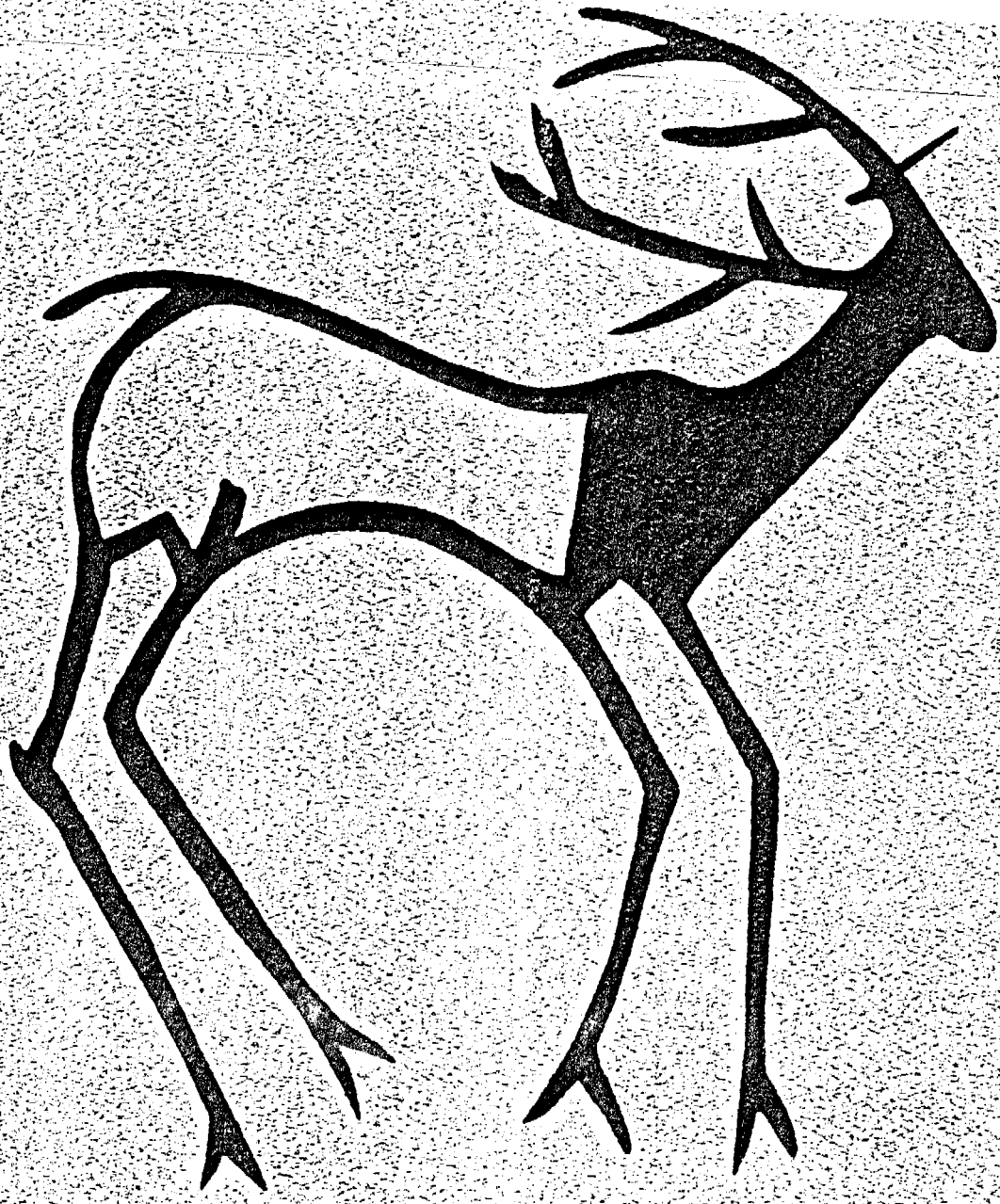
Staffing: Permanent winter staffing runs about 15 to 20 people, including maintenance employees. Summer staffing is about 70 people, including archaeologists continuing to work at the site and analyze materials found. All guides must speak Blackfoot.

Interpretation: The Centre offers a wide range of interpretive exhibits, a 10-minute introductory film, self-guided outside trails, and guides. Portions of the archaeological labs are visible to the public as is other archaeological work in progress.

Major Capital Improvements: The Centre represents a $10 million dollar investment by the Province.

Visitation: 135,000 each of the last two years. The Centre just passed the half million visitation point since it opened in 1987.

Economic Impacts: Each staff position at Head-Smashed-In generates 4.6 private sector jobs. $3.1 million dollars are pumped annually into the Fort McLeod economy.



RECKONING WITH TIME

Findings of the

1990 Montana Historic Sites

Study Commission

Proposed Amendment to HB 1008
Montana Audubon Legislative Fund
April 8, 1991
Senate Finance and Claims

1. Page 4, Line 1.
   Following: "parks for" and preservation
   Insert: "the stabilization of historic sites within state"

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 9
DATE 4-8-91
BILL NO. HB 1008

EXECUTIVE ACTION ON HB 1008

Motion:

Senator Weeding moved the amendments. (Exhibit 1) Motion to amend carried unanimously.

Recommendation and Vote:

Senator Weeding moved HB 1008 AS AMENDED BE CONCURRED IN. The motion carried unanimously.

EXECUTIVE ACTION ON HB 234

Discussion:

Senator Jacobson said this is money that is already set aside and the matching money is already there from the federal government. We need to reappropriate the same money we appropriated last session.

Recommendation and Vote:

Senator Hammond moved HB 234 BE CONCURRED IN. The motion carried UNANIMOUSLY.

EXECUTIVE ACTION ON HB 692

Motion:

Senator Fritz moved HB 692 be concurred in as amended.

Discussion:

Senator Jacobson said there are amendments offered by the pharmaceutical association, but there are no amendments offered by the sponsor of the bill.

Amendments, Discussion, and Votes:

Senator Fritz said this is the bill that puts fees on the pharmaceutical industry and on pharmacists and pharmacies in Montana for the support of the School of Pharmacy at the University of Montana. This bill came about at the request of the pharmacists although they don't have 100 percent support for it. It is a 2 year effort to provide some support to the school of Pharmacy.

ROLL CALL

FINANCE & CLAIMS COMMITTEE

DATE 4-11-91

____ LEGISLATIVE SESSION ____ P. Malesevic

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON CHAIRMAN	✓		
SENATOR JERGESON, VICE CHAIRMAN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BENGTSON	✓		
SENATOR BIANCHI	✓		
SENATOR DEVLIN	✓		
SENATOR FRITZ	✓		
SENATOR HAMMOND	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR KEATING	✓		
SENATOR MANNING			✓
SENATOR NATHE	✓		
SENATOR STIMATZ	✓		

Each day attach to minutes.

ROLL CALL

FINANCE & CLAIMS COMMITTEE, CONTINUED

DATE _____

____ LEGISLATIVE SESSION ____

NAME	PRESENT	ABSENT	EXCUSED
SENATOR TVEIT	✓		
SENATOR VAUGHN	✓		
SENATOR WATERMAN	✓		
SENATOR WEEDING	✓		
SENATOR FRANKLIN	✓		

Each day attach to minutes.

Amendments to House Bill No. 1008
Third Reading Copy

Requested by Senate Finance and Claims Committee
For the Committee of the Whole

Prepared by Carroll South
April 11, 1991

1. Title, line 9.
Strike: "ACQUISITION OR"

2. Title, line 13.
Following: "PROVIDING"
Insert: "AN"
Following: "EFFECTIVE"
Strike: "DATES"
Insert: "DATE"

3. Page 2, line 23.
Following: "parks"
Strike: "acquisition or"

4. Page 3, line 4.
Following: "the"
Strike: "acquisition,"

5. Page 4, line 1.
Following: "parks for"
Strike: "parks"
Insert: "the development, operation, and maintenance of state parks and the stabilization and preservation of historic sites within the state park system"

6. Page 6, line 21.
Strike: "(1)"
Following: "["
Strike: "Sections 1 and 3"
Insert: "This act"
Following: "]"
Strike: "are"
Insert: "is"

7. Page 6, line 22.
Following: line 21
Insert: "the temporary version of"

8. Page 6, line 23.
Strike: subsection (2) in its entirety

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 1
DATE 4-11-91
BILL NO. HB 1008